

AIRPORT DIRECTOR'S REPORT

January 2009



A AIRPORT OPERATIONS

- Passenger Count
- Aircraft Operations
- Air Freight

The passenger count report will be distributed at the meeting.

B PROGRAMS

1. Air Service

Santa Barbara Airport (SBA) has a 63% market share of the total weekday departures of the four commercial airports in the tri-counties. The airlines serving SBA provide 37 departures each weekday; representing 14% fewer flights than January 2008. By comparison, San Luis Obispo Airport has 12 departures (40% fewer flights), Santa Maria Airport has 6 departures (17% fewer flights), and Oxnard Airport has 4 departures (no change).

Staff Contact: Terri Gibson, 692-6004

2. Communications Program

a. New FlySBA.Com Website Development

Interior page templates are being developed for the new site and the maps/diagrams are being designed. The project is expected to 'go live' next month following a test period.

b. Promotional Items This Month

Santa Barbara Conference & Visitors Bureau newsletter information about SBA distributed to 35,000 opt-in subscribers; MTD busboards, water bill inserts and radio ads for '*Lift Your Spirits*' ski destination travel; current flight schedule and newest airline routes on Channel 18 information scroll; and 2009 Solvang & Santa Valley Visitors Guide information about SBA.

c. Airport Ambassador Recruitment

Assistant Director Johns will host a special recruitment meeting at the Visitors Center later this month for prospective Airport Ambassadors to volunteer at the Airline Terminal.

d. Airport Visitors Center Activity

450 students from 5 schools representing 4 school districts received tours in December. Five GA clubs held meetings at the Center during the month.

e. Airline Terminal Comment Card Program

96 cards were collected from the holdrooms and main lobby in December. Comments included requests for restrooms in the holdrooms, and complaints about delayed flights and the need for increased efficiency at the security checkpoints.

Staff Contact: Terri Gibson, 692-6004

3. Airport Noise Abatement Program

Planned completion date: Summer 2009

Five potential sites for new noise monitoring terminals were selected and sought by Airport Staff. Airport Staff has received initial concurrence from the County for an additional noise monitoring terminal site, on Ward Drive near Rancho Goleta Mobile Home Park. The Ward Drive site is important in that it is the only potential site located in the vicinity of the 65 CNEL Airport Noise contour.

The request for an installation at La Patera Elementary School was declined, and other locations requested in the City of Goleta and the County were not favorably received. After evaluating the quality of data received from the new flight tracking system, staff feels that seeking additional noise monitoring sites (other than the site near the 65 CNEL at Ward drive) is not necessary. The improved flight tracking information received from the new flight tracking system combined with the information from an additional monitor near the 65 CNEL will meet the objectives of the Noise Compatibility Program. Staff is in the process of submitting an application for a Coastal Development Permit from the County of Santa Barbara for the installation of the noise monitoring terminal site near Ward Drive.

Staff Contact: Tracy Lincoln, 967 - 7111

4. Property Management**Self-Service Fueling Project**

Airport staff and MAG Aviation continue negotiations. Outstanding consideration is size of the leased premises. Issue to be resolved January 15, 2009, and Lease Agreement will be finalized and presented to Airport Commission for consideration.

Staff Contact: Hazel Johns, 692-6003

C CAPITAL PROJECTS

1. Airport Terminal Improvement project

Planned Completion Date: 2011

The initial project phases have been submitted for building permits. The first project in association with Terminal improvements, the SBA Terminal Ramp & Taxiway B Relocation Construction Project, was awarded to Granite Construction on July 22, 2008. Construction commenced with Taxiway K and Taxiway B between Taxiways A and E closed indefinitely due to construction. The Terminal ramp configuration has also changed requiring the airlines to push back aircraft. Bids opened for the second project in association with the Terminal improvements, the SBA Temporary Facilities & Site Preparation Project on September 4, 2008. The current plan is to award this contract after receipt of the Airline Terminal bids. The bids for the Airline Terminal are due December 16, 2008.

\$60 Million (14.1M AIP Grant, 5.8M PFCs, 34.5M Bond Funds, 1.0M Airport Funds)

Staff Contact: Owen Thomas, 692-6018
Laurie Owens, 692-6023

2. ASP Wetland Mitigation Plan

Planned Completion Date: 2009

ASP Wetlands Mitigation Plan

Mitigation associated with the Airfield Safety Projects at a ratio of 4:1.

- Area I Restoration - Completed
- Remainder of Mitigation Plan –Construction of the creek restoration plantings, berm restoration and Area R-2 is complete. Phase 2 Tidal Restoration scheduled to begin in 2009.

Staff Contact: Owen Thomas, 692-6018

3. Goleta Slough Tidal Circulation Demonstration Project

Planned Completion Date: January 2009

This project was modified to restore tidal action to one Goleta Slough basin instead of two basins, due to cost. The Airport has received a Coastal Development Permit amendment from the Coastal Commission for the modified experiment. Construction began in September and was completed in October 2005. Surveys to measure bird activity, vegetation establishment and invertebrate communities was completed in November 2008. Staff has received approval from the California Coastal Commission to extend the reporting period until December 2009. The final report from URS will be provided in mid-January 2009. Staff will be taking a contract to City Council for design of

URS Corporation
\$348,330 (work that is continuing.)

the final tidal mitigation area required for the Airfield Safety Projects in February 2009.

Staff Contact: Laurie Owens 692-6023

4. Consolidated Rental Car Quick Turn Around Facility

Planned Completion Date: Fall 2009

This Airport project is to provide a Rental Car Quick Turn Around facility (QTA). The QTA will be relocated off of the Airline Terminal premises on a 3.4 acre site located at 25 David Love Place. It will function to fuel, perform minor service (oil changes, fluid checks, tire repair, etc.) vehicle washing, and vehicle storage. The Santa Barbara City Council awarded a contract to Pat McCarthy Construction on July 1, 2008. Construction has commenced and will take approximately one year to complete. Construction is ongoing with all the site utilities installed and the building footings poured.

Project Cost:
\$8,803,000
(Customer Facilities
Charge revenue)

Staff Contact: Hazel Johns, 692-6003
Leif Reynolds, 692-6020

D COUNCIL / AIRPORT COMMISSION ACTIONS

Council / Airport Commission approved the following recommendation in December:

Recommendation: That Council and Board Members:

- A. Adopt, by reading of title only, A Resolution of the Board of Directors of the Santa Barbara Financing Authority Authorizing the Issuance of Not to Exceed \$65,000,000 of Santa Barbara Financing Authority Lease Revenue Bonds (Airport Project), Series 2009, Approving the Execution and Delivery of Various Related Documents in Connection with the Offering and Sale of Such Bonds and Other Matters Related Thereto; provided, however, that with respect to the Series 2009A Bonds, the true interest cost shall not exceed 8.0% per annum, and that with respect to the Series 2009B Bonds, the true interest cost shall not exceed 9.0% per annum;
- B. Adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Approving the Issuance by the Santa Barbara Financing Authority, in One or More Series, of Not to Exceed \$65,000,000 of Santa Barbara Financing Authority Lease Revenue Bonds (Airport Project), Series 2009, Approving the Execution and Delivery of Various Related Documents in Connection with the Offering and Sale of Such Bonds and Other Matters Related Thereto; provided, however, that with respect to the Series 2009A Bonds, the true interest cost shall not exceed 8.0% per annum and that with respect to the Series 2009B Bonds, the true interest cost shall not exceed 9.0% per annum;
- C. Approve and authorize the Airport Director to execute, subject to City Attorney review of the form of the agreement, an Amendment to Contract 22,644 with Jacob Consultancy, for the preparation of the Report of the Airport Consultant, Airport Feasibility Report, on the proposed issuance of debt for the Airline Terminal Improvement Project, increasing the contract by \$99,000 for a total not-to-exceed amount of \$225,000;
- D. Authorize the City Attorney to execute an agreement with Orrick, Herrington & Sutcliff, LLP, for Bond Counsel services in the amount of \$62,500 and Disclosure Counsel services in the amount of \$35,000, together with reimbursed expenses not to exceed \$5,000, for the Airport Revenue Bond Financing payable from bond proceeds at such

- time as the bonds are issued;
- E. Approve and authorize the Finance Director to execute, subject to City Attorney review of the form of the agreement, an agreement with KNN Public Finance for financial advisory services for the Airport Revenue Bond Financing in an amount not to exceed \$115,000, together with reimbursed expenses not to exceed \$5,000, payable from bond proceeds at such time as the bonds are issued; and
 - F. Authorize the Airport Director to execute, in a form acceptable to the City Attorney, an amendment to the Airport Promissory Note dated July 1, 2008 in the amount of \$7,800,000 to extend the maturity date of said promissory note to June 30, 2009.